

# Opportunity Cost

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- Give an example to illustrate that a person may have an opportunity cost without paying anyone any money.
- Is the opportunity cost of attending high school the same for all high-school students? Explain why or why not.

# **Scarcity in free markets**

- Have students think about and list some of their wants/goals
  - financial and non-financial
- What you want:
  - to be
  - to have
  - to do

# Needs vs. Wants

- A Need is a basic requirement for survival.. This includes food, clothing, shelter.
- A want is a way of expressing a need.
- Think of the school lunch... you NEED food, the school provides it. You want BURGER KING you go outside of school to get it.
- Both meals do the exact same thing.

# Scarcity

- Scarcity = condition in which human wants are forever greater than the available supply of time, goods, and resources.
- Take 2 minutes to answer the questions
  - Explain if scarcity would disappear if you were rich?
- Think about does scarcity apply to only individuals?
- NO society too = governments

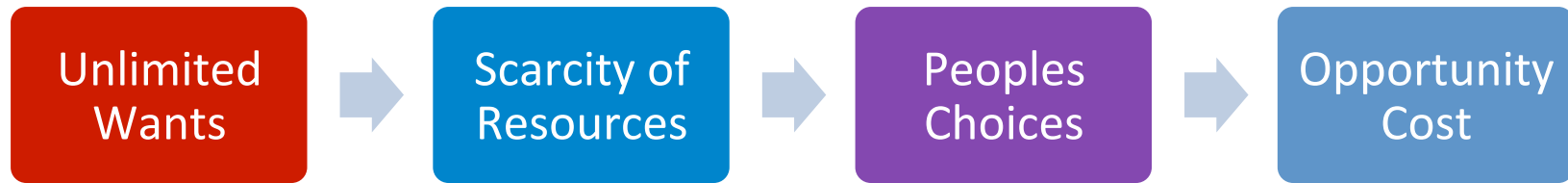
# DO NOW

- If you won one million dollars, would you escape the scar



# ECONOMICS

- Scarcity forces people to make choices



- Economics is:
  - Study of how society chooses to use its scarce resources for the production of goods and services to satisfy unlimited wants.

# Quick Write

- Because scarcity exists, individuals must make choices. Explain why?